



CFRS NEWS

City of Fresno Retirement Systems

IN THIS ISSUE

PAGE 2:

- Meet your Trustee
- DROP Statements
- Recent Retirees
- Important Dates

PAGE 3:

- Social Security Fairness Act

PAGE 4:

- Annual Reports Available
- Contact Information



Message from the Administrator:

Robert Theller, Retirement Administrator

Your Fire & Police Retirement System remains more than fully funded and is positioned to strongly secure your current and future retirement. Our goal is to keep it that way by maintaining a pension system which provides benefits which are economical for our sponsor (the City of Fresno) while remaining a life-long, lucrative and sustainable benefit for retired Sworn Safety employees.

Limiting risk is vital for an institutional investor like CFRS. As a long-term investor, we prepare for multiple economic ups and down across future decades. Part of that work is making sure we're taking the appropriate amount of risk to meet our investment goals while still maintaining broad market exposure. The team at CFRS continues to work with our Investment Consultant to build a resilient and innovative investment program that includes frequent reviews of new investment ideas and [existing investment strategy](#).

We provide award winning annual financial reporting that give our members, retirees and the City of Fresno management team the information they need to plan contribution payments and prepare for the budget well in advance. Our Finance team works with our Boards, Auditors and the City Finance team to ensure proper accountability is provided and prudent fiduciary care was taken while spending and investing your assets. They also prepare a [Popular Annual Financial Report \(PAFR\)](#) which is an easy-to-read summary of the [Annual Comprehensive Financial Report \(ACFR\)](#), we encourage you to read them.

We remain committed to our primary mission of delivering your benefits when you choose to retire. To do that our Benefits team maintains a focus on great customer service while helping you process your retirement or disability application.

We will help you through the required paperwork, while also trying to decrease the time it takes to process the applications. CFRS Benefits team is committed to helping you start your retirement. You can start by looking over your account and member information in [MemberDirect](#).

We encourage you to:

- **Attend our meetings** on the second Wednesday (and fourth Tuesday if another meeting is needed) of each month at 1:00 p.m. **in person, or via Zoom**. You can submit general or specific questions or concerns about the Systems that you would like the Boards to address. Please feel free to attend either way if you are curious and just want to see what we do. You can see our [schedules & agendas on our website](#).
- If you see a problem or have an idea for doing something better? **Please submit your positive suggestions for improvements** by email to Retire@Fresno.gov Change to improve is always possible and will help make CFRS a stronger, more resilient organization.

For specific questions or concerns relating to your pension, disability or DROP account, we encourage you to reach out **confidentially** to our Staff at **559-621-7080** to discuss or schedule an appointment.

We hope you get more out of your retirement account than you put in, and you do so for a long, long time.

Sincerely,

Robert T Theller
Retirement Administrator



Meet your Retirement Board Trustee:

Chris Cooper, Elected Board Member
City of Fresno Fire and Police Retirement Board
Elected December 13, 2022

Chris Cooper was elected by the Police Members in 2022 to complete the term of retired Police Member David Newton and was reelected in July 2024 with a term ending in 2028.

Chris Cooper is a dedicated Fresno police officer with 27 years of experience. As a Fresno Police Officer, Chris has witnessed firsthand the importance of ensuring the stability of the retirement fund for our hardworking Police members. Chris continues his commitment to uphold his fiduciary duty as a Retirement Board member, and the unique challenges and responsibilities that come with managing a retirement fund. He also makes it a priority to always be accessible and responsive to all members and retirees of the Fire and Police Retirement System.

A Note Regarding DROP Statements

- Need a DROP Account Statement? It's simple, go to [MemberDirect](#), under DROP Account Summary, click on Generate Statement, enter the period begin and end date, then hit generate.
- Or contact the Retirement Office - we're happy to help!

Retirees

July 1, 2024 to December 31, 2024

- | | |
|--------------------|---------------------|
| Alfred Avila | Brian Phillips |
| Travis Chetwood | Javier Pla |
| Clark Crapo | Catalina Rodriguez |
| David Garfield | Thomas Rowe |
| Gary Holden | John Swanson |
| Damon Kurtz | Darryll Van Deursen |
| Bartlett Ledbetter | Gary Wedemeyer |
| Anthony Martinez | Karey Wedemeyer |
| Paige McQuay | |

Important Dates January—June 2025

January							February							March						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1							1
5	6	7	8	9	10	11	2	3	4	5	6	7	8	2	3	4	5	6	7	8
12	13	14	15	16	17	18	9	10	11	12	13	14	15	9	10	11	12	13	14	15
19	20	21	22	23	24	25	16	17	18	19	20	21	22	16	17	18	19	20	21	22
26	27	28	29	30	31		23	24	25	26	27	28		23	24	25	26	27	28	29
												28	30	31						

April							May							June						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4					1	2	3	1	2	3	4	5	6	7
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28
27	28	29	30				25	26	27	28	29	30	31	29	30					

Retirement Benefit Pay Dates
 Retirement Board Meeting Dates
 (Last Business Day of the Month)

Social Security Fairness Act: Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) update.

January 5, 2025: Congress Stops Social Security Benefit Reductions for (some) Public Employees.

Social Security Fairness Act of 2023

President Biden signed the [Social Security Fairness Act](#), which eliminates the Windfall Elimination Provision and Government Pension Offset provisions that reduce or eliminate benefits for nearly 3 million government employees and their families.

Some estimates put the number of California Public Employees who could benefit from this change at ~ 400,000 workers. We are unsure how many City of Fresno employees and retirees this applies to, but if you receive a Social Security statement annually... you should check with the [Social Security Administration](#) directly. It may be easiest to sign into [your account directly](#) after they complete the recalculations.

CFRS staff unfortunately cannot help you with the Social Security questions other than to direct you to the [local social Security offices](#), website at www.ssa.gov or their phone number at (800) 772-1213.

Background

The Social Security Fairness Act of 2023, repeals the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO), two provisions of the Social Security Act that operate to reduce or eliminate Social Security benefits for public sector employees who are also entitled to retirement benefits from non-Social Security covered employment. This should result in increases to Social Security benefits for over two million beneficiaries nationally. The repeal is effective for monthly benefits payable after December 2023.

Millions of state and local government employees do not participate in Social Security, either because Social Security coverage has not been extended to their position under a federal-state agreement called a "[218 agreement](#)" or because they participate in a public retirement plan that qualifies as a "[Social Security replacement plan](#)." For these employees, their earnings from public employment are not subject to Social Security taxes (FICA) and are also not counted toward earning Social Security benefits.

However, in many circumstances, these individuals have worked in other employment covered by Social Security that may earn them Social Security benefits at retirement. In addition, they may be entitled to spouse or survivor benefits through a spouse's Social Security earnings record. In these situations, the WEP and GPO could have potentially applied to reduce the benefits they would otherwise receive from Social Security.

[In the late 1970's and 80's Congress started trying to force](#) non-covered state and local public defined benefit retirement systems to join or "help" fund Social Security. Congress actively explored legislation to mandate that non-covered state and local government employees with defined benefit retirement plans contribute to Social Security, essentially "forcing" them to help fund the program to address long standing financial issues within Social Security itself.

Nationally this faced strong resistance from public employee unions and state governments who argued that it would disrupt existing pension systems and lead to increased costs for local taxpayers.

Since Congress could not pass legislation forcing participation or taking over the defined benefit plans; they instead passed the WEP-GPO provisions which have been viewed for decades as being both punitive and discriminatory to public workers.

History of the Windfall Elimination Provision

Enacted in 1983, the WEP is a reduction to a worker's Social Security retirement benefit because of a retirement benefit earned by the worker in non-Social Security covered employment. The WEP operates to reduce the amount of income that is replaced under the Social Security benefit formula. In 2024, the standard formula replaces 90 percent of the first \$1,174 of a worker's average indexed monthly earnings. The WEP formula reduces that replacement percentage to as low as 40 percent, but not lower than one-half of the worker's non-covered monthly retirement benefit. The reduction is phased-out for workers with 21 to 29 years of substantial Social Security earnings, and it does not apply to workers with 30 or more years of substantial Social Security earnings. The WEP can have a significant impact on the Social Security retirement benefit earned by a public employee who is receiving a public pension that was earned in non-covered employment.

History of the Government Pension Offset

Enacted in 1977, the GPO is a reduction to a spouse's Social Security spouse or survivor benefit because of a retirement benefit earned by the spouse in non-Social Security covered employment. The GPO is intended to replicate the "dual entitlement rule" under Social Security, which reduces a person's spouse or survivor benefit by the person's own Social Security retirement benefit (based on the person's own earnings record). This results in offsetting the spouse/survivor benefit so that it will only be paid if – and to the extent it exceeds – the person's own retirement benefit. In effect, the person receives the higher of the two Social Security benefit amounts, but not both.

The GPO works similarly to the dual entitlement rule for spouses and survivors who receive a retirement benefit based on non-Social Security covered employment. Under the GPO, the Social Security spouse or survivor benefit is reduced by an amount equal to two-thirds of the spouse's non-covered monthly retirement benefit, but not below zero. The GPO does not apply to individuals whose last 60 months of government employment was covered by a public retirement system and Social Security. The GPO can significantly reduce the Social Security spouse and survivor benefits that would otherwise be due to a retiree in the public sector who has no Social Security benefits of his or her own.

Effective Date of Changes

The Social Security Fairness Act repeals the WEP and GPO provisions effective with respect to monthly benefits payable for months after December 2023. The Act directs the Commissioner of Social Security to adjust the benefits payable to impacted beneficiaries to the extent necessary.

The Social Security Administration will issue guidance regarding the timeframe and process for necessary adjustments to current beneficiaries.

While the repeal of the WEP and GPO has no DIRECT impact on the [City of Fresno Retirement](#) plans you should understand the potential impact of the WEP and GPO repeal on your future Social Security benefits.

Legislative Action(s):

01/05/2025 - Signed by President.

12/27/2024 - Presented to President.

12/21/2024 - Message on Senate action sent to the House.

12/21/2024 - Cloture motion on the measure rendered moot in Senate.

12/21/2024 - Passed Senate, under the order of 12/20/2024, having achieved 60 votes in the affirmative, without amendment by Yea-Nay Vote. 76 - 20. Record Vote Number: 338.

12/21/2024 - Passed/agreed to in Senate: Passed Senate, under the order of 12/20/2024, having achieved 60 votes in the affirmative, without amendment by Yea-Nay Vote. 76 - 20. Record Vote Number: 338.

12/21/2024 - Motion by Senator Schumer to commit to Senate Committee on Finance with instructions to report back forthwith with the following amendment (SA 3357) withdrawn in Senate.

12/21/2024 - Motion to waive all applicable budgetary discipline with respect to the measure agreed to in Senate by Yea-Nay Vote. 66 - 30. Record Vote Number: 337.

12/21/2024 - Point of order that the measure violates section 311(a) (3) of the Congressional Budget Act raised in Senate.

12/20/2024 - Motion by Senator Schumer to commit to Senate Committee on Finance with instructions to report back forthwith with the following amendment (SA 3357) made in Senate.

12/20/2024 - Cloture motion on the measure presented in Senate. (CR S7286)

12/20/2024 - Considered by Senate. (consideration: CR S7285-7287, S7303-7304)

12/19/2024 - Measure laid before Senate by motion.

12/19/2024 - Motion to proceed to consideration of measure agreed to in Senate by Yea-Nay Vote. 73 - 23. Record Vote Number: 328.

12/19/2024 - Motion to proceed to measure considered in Senate. (CR S7217)

12/18/2024 - Cloture on the motion to proceed to the measure invoked in Senate by Yea-Nay Vote. 73 - 27. Record Vote Number: 326.

12/18/2024 - Motion to proceed to measure considered in Senate. (CR S7131)

12/17/2024 - Referred to the Subcommittee on Social Security.

Data made available by: Api.Congress.Gov

We're excited to announce that the Annual Comprehensive Financial Report (ACFR) and the Popular Annual Financial Report (PAFR) for the Employees Retirement System and the Fire and Police Retirement System are now available on the <https://www.cfrs-ca.org/> website!

Ensuring transparency and providing accessible financial information is a primary goal for our team. The ACFR offers a detailed look into our financial status, while the PAFR provides a concise and easy-to-understand summary.

In the ACFR, you'll find:

- A complete and in-depth overview of our financial performance.
- Detailed analysis of our investments and liabilities.
- Comprehensive data on member statistics and benefit calculations.

The PAFR offers:

- A clear and concise summary of our financial health.
- Key performance indicators and highlights.
- Easy-to-understand graphs and charts.

We're also happy to announce the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to both systems for our ACFR for the prior fiscal year ended June 30, 2023 and an Award for Outstanding Achievement in Popular Annual Financial Reporting for our PAFR for the prior fiscal year ended June 30, 2023. These are prestigious national awards recognizing conformance with the highest standards for preparation of state and local government reports.

We encourage you to take a moment to review these reports and gain a deeper understanding of your retirement system's financial status.

Access the reports here:

- [Employees Retirement System ACFR](#)
- [Employees Retirement System PAFR](#)
- [Fire and Police Retirement System ACFR](#)
- [Fire and Police Retirement System PAFR](#)

CONTACT INFORMATION

City of Fresno Retirement Systems

2828 Fresno Street, Suite 201

Fresno, CA 93721-1327

Phone 559-621-7080

Fax 559-621-7081

www.cfrs-ca.org

Retire@fresno.gov

cfrsbenefits@fresno.gov

City of Fresno Employee Benefits

Benefits@fresno.gov

HealthComp

559-499-2450

www.healthcomp.com

Fidelity Investments

800-343-0860

www.NetBenefits.com